

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

13 CIV 525

MEDIA ADDICTION, INC.,

Plaintiff,

v.

QELLO, LLC, QELLO HOLDINGS LLC,
KALTURA, INC,
DOOR 3 LTD.,
and
DANIEL DOMAN, an individual,

Defendants.

Civil Action No. _____

**COMPLAINT
AND JURY DEMAND**



COMPLAINT

Media Addiction, Inc. ("Plaintiff"), by its undersigned attorney, for its complaint against the Defendants Qello LLC ("Qello"), Qello Holdings LLC ("Qello Holdings"), Kaltura, LLC ("Kaltura"), Door 3 Ltd. ("Door 3"), and Daniel Doman (collectively, "Defendants"), alleges as follows:

Nature of Action

1. In this action, Plaintiff seeks damages and injunctive relief from the various Defendants for copyright infringement, unfair competition, misappropriation of trade secrets, fraud, tortious interference with economic advantage/contract, conversion, breach of contract and conspiracy.

2. Plaintiff is a media and entertainment technology company that specializes in delivering targeted entertainment content to users and enabling a more personalized user experience. Beginning in 2006, Plaintiff acquired and further developed personalized metadata tagging software (the “Nexxus Platform”) that enabled companies to finely target entertainment content to users based on a variety of preference parameters. Plaintiff developed next generation technology (the “Persona Platform”) that included copyrighted software code, know-how and trade secrets. Plaintiff offered the Persona Platform to Defendant Qello and licensed it and related technology to Defendants Qello and Kaltura. Plaintiff terminated and rescinded said license by letter on July 19, 2012. Upon information and belief, Defendants Qello, Qello Holdings and Kaltura continue to use Plaintiff’s copyrighted work and/or derivative works thereof and Plaintiff’s trade secrets and technology.

3. Specifically, Plaintiff owns trade secrets and a valid copyright (U.S. Copyright Office registration certificate attached hereto as Exhibit A) in software (“Plaintiff’s Copyright-Protected Software”) that, upon information and belief, the Defendants’ profited and continue to profit from and that Defendants Qello/Qello Holdings currently markets and sells at its website and app store. Upon information and belief, Defendants engaged in a scheme to misappropriate Plaintiff’s copyrighted works, technology, know-how and trade secrets, and Defendant Doman was the conduit through which Plaintiff’s trade secrets passed to the other defendants. Defendants Doman and Door 3 never were licensed to use Plaintiff’s copyright and therefore infringed Plaintiff’s copyright. All Defendants illegally profited from and continue to profit from Defendant

Doman's misappropriation and the Defendants' use of Plaintiff's trade secrets, and from the Defendants' copyright infringement, conspiracy and other violations of law. Plaintiff has demanded that Defendants Qello and Qello Holdings cease their infringing activity.

4. As set forth herein, in this action Plaintiff seeks an injunction to prevent the irreparable harm caused by the continuing copyright infringement of Defendants Qello/Qello Holdings and Kaltura, and injunctive relief and damages for the infringement, unfair competition, misappropriation of trade secrets and other violations of law by the other defendants.

Jurisdiction and Venue

5. This Court has original and exclusive jurisdiction of this action under 28 U.S.C. § 1338(a) and (b) because the action arises under the Copyright Act, 17 U.S.C. §§ 101 et seq., 15 U.S.C. § 1121 and 1125(a), the New York long-arm statute (§ 302 N.Y. C.P.L.R.), and the general supplemental jurisdiction of this Court. Each of the Defendants either reside in New York State or transact business in New York State. This Court has supplemental jurisdiction pursuant to 28 U.S.C.A. § 1367 over the breach of contract claims and the other claims because the claims are so related to claims in the action within the Court's original jurisdiction they form part of the same case or controversy under Article III of the United States Constitution. The amount in controversy exceeds \$1,500,000, exclusive of interest and costs.

6. Venue is proper within this judicial district under 28 U.S.C. §§ 1391 (b) and (c) because claims arose in this District and a substantial part of the events giving rise to these claims occurred in this District, and because, on information and belief,

Defendants are doing business and/or reside in this district and are subject to personal jurisdiction in this jurisdiction, and a substantial part of Plaintiff's copyrightable property that is the subject of this action is infringed in this jurisdiction.

The Parties

7. Plaintiff is a limited liability company organized under the laws of the state of Delaware and has principal places of business at 21 The Glen, Locust Valley, NY 11560 and 1207 Hillsboro Mile, Hillsboro Beach, FL 33062. Plaintiff is the copyright registrant for the work at issue in this case.

8. Defendant Qello is a limited liability company organized under the laws of the state of Delaware and has a principal place of business at 40 West 17th Street, New York, NY 10011. Upon information and belief, Defendant Qello delivers HD concert content to its users.

9. Defendant Qello Holdings is a limited liability company organized under the laws of the state of Delaware and has a principal place of business at 40 West 17th Street, New York, NY 10011. Upon information and belief, Defendant Qello Holdings is an affiliate of Defendant Qello and upon information and belief operates various Qello enterprises that infringe Plaintiff's copyright.

10. Defendant Kaltura is a limited liability company organized under the laws of the state of Delaware and has a principal place of business at 200 Park Avenue South, Suite 1516, New York, NY 10003. Upon information and belief, Defendant Kaltura provides internet- and mobile-based content delivery network computer applications.

11. Upon information and belief, Defendant Door 3 is a limited company

organized under the laws of the United Kingdom with principal places of business at 22 Cortlandt Street, Suite 1103, New York, NY 10007 and 33 Cavendish Square, London, UK W1G 0PW. Upon information and belief, Defendant Door 3 has not filed a doing business certificate in the State of New York.

12. Defendant Daniel Doman is an individual residing at 235 East 95th Street, Apt. 23C New York, NY 10128. Defendant Doman is a computer software application developer and architect.

Background and Occurrences

13. In 2006, Plaintiff entered the personalized entertainment technology business by purchasing an exclusive license to the “Nexus” platform – a computer software application designed by a computer scientist named Robert Pingree – that was designed to provide targeted and personalized entertainment content to users.

14. From 2006-2010, Plaintiff further developed its know-how and trade secrets relating to the provision of personalized entertainment technology. To market and sell this technology while protecting its trade secrets, upon information and belief it entered into non-disclosure agreements with its Chief Technology Officer Defendant Dan Doman and others.

15. In early 2010, upon information and belief, Plaintiff’s CEO Christopher Brogan, and Vice-President of Business Development Chris Chappell entered into discussions with Brian Lisi, the CEO of Defendant Qello, relating to a business relationship in which Plaintiff would license personalized entertainment delivery technology to Qello.

16. Plaintiff and Defendant Qello did enter into such a relationship and signed a license agreement (the “Qello License”) for the use of Plaintiff’s personalized entertainment delivery technology on June 25, 2010. The Qello License is attached hereto as Exhibit B. To facilitate the use of Plaintiff’s technology by Qello/Qello Holdings, Plaintiff and Defendant Kaltura similarly entered into a license agreement (the “Kaltura License”) on June 23, 2010. The Kaltura License is attached hereto as Exhibit C.

17. Thereafter Plaintiff worked with a number of software developers to further refine and customize its technology for Qello. A key developer was John Schultheiss. Schultheiss assembled and wrote the majority of the code that comprises the Plaintiff’s Copyright-Protected Software. Upon information and belief, in the period from August 2010 until November 2010, and thereafter, Schultheiss shared this software with Doman and Doman had access to Schultheiss’ computer files and work product.

18. Upon information and belief, beginning in late 2010, in breach of his non-disclosure agreement, Doman began to pass trade secret and copyright-protected information to three Defendants: Qello, Kaltura and Door 3.

19. Upon information and belief, Doman then began to scheme with Brian Lisi and the other Defendants to leave his position with the Plaintiff and become the Chief Technology Officer of Defendant Qello. On information and belief, part of this scheme included misappropriating Plaintiff’s trade secrets, know-how and business relationships, and working with Defendants to cut Plaintiff out, steal Plaintiff’s technology and infringe its copyrights.

20. Upon information and belief, the Defendants, working together, then refused to pay Plaintiff for its technology, materially breached various agreements including the Qello License, and over a period of the last 18-24 months, built a computer software application or “app” using the technology – stolen from Plaintiff – that became highly popular and is currently one of the top 150 downloaded music applications. Qello's success with the app has been extensively discussed on the internet and elsewhere.

21. On July 19, 2012, Plaintiff terminated, by separate letter to each Defendant, the Qello License and the Kaltura License for material breach and failure to pay royalties, and rescinded said licenses to use its copyrighted works, including Plaintiff's Copyright-Protected Software. A copy of the July 19, 2012 letter to Defendants Qello/Qello Holdings is attached as Exhibit D, and a copy of the July 19, 2012 letter to Defendant Kaltura is attached as Exhibit E. Both the Qello License and the Kaltura License contain a provision for termination under which the license may be terminated upon 30 days notice. On information and belief, Defendant Qello/Qello Holdings continues to use said technology and sell its mobile app and Defendant Kaltura continues to enable such infringement. The Defendants all have profited and, excepting Defendants Doman and Door 3, continue to profit from said use. On information and belief, Defendant Qello has copied and made derivative works from Plaintiff's Copyright-Protected Software and sold thousands of copies of an app containing the Plaintiff's Copyright-Protected Software or derivative works thereof to its users.

22. Defendants prior and/or current use of the Plaintiff's technology infringes

Plaintiff's copyright and said infringement is unauthorized, continuing and unabated.

Activities of Various Defendants

23. On information and belief, Defendants Doman and Door 3 never entered into any type of license agreement with Plaintiff for the use of Plaintiff's Copyright-Protected Software. Yet, both Defendants Doman and Door 3 used Plaintiff's Copyright-Protected Software, thus willfully infringing it, and they profited from said infringement and other activities because they were paid by one of more of the other Defendants for Plaintiff's technology, Plaintiff's Copyright-Protected Software, and Plaintiff's know-how/trade secrets.

24. On information and belief, Defendants Qello and/or Qello Holdings are passing off Plaintiff's technology as its own and thereby deriving revenue from such activities.

First Cause of Action
Defendants' Copyright Infringement

25. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 24 of this Complaint as if specifically pleaded herein.

26. Plaintiff is the sole proprietor of all rights, title, and interest in and to the copyright of computer software entitled "Media Addiction Content Delivery and Metadata Platform Version 3.3.4" registered with the United States Office of Copyright as a literary work pursuant to U.S.C.A. §§ 101, 102, 106, 411(a) *et seq.* See Ex. A.

27. Said software contains material original with Plaintiff and is copyrightable subject matter under the laws of the United States.

28. Plaintiff's Copyright-Protected Software was the subject of a license granted to Defendants Qello/Qello Holdings and Kaltura and said license was rescinded by two letters (Exhibits D and E) sent July 19, 2012 from Plaintiff to Defendants Qello/Qello Holdings and Kaltura. The Qello License and the Kaltura License called for 30-day notice prior to termination thus making rescission of both licenses effective at least as early as August 19, 2012.

29. Defendants Door 3 and Doman infringed Plaintiff's copyright, and as of August 19, 2012 Defendants Qello, Qello Holdings and Kaltura infringed and are continuing to infringe Plaintiff's copyright, in violation of the Copyright Act, 17 U.S.C.A. § 101 et seq. by knowingly and willfully copying, distributing, making derivative works and otherwise utilizing Plaintiff's Copyright-Protected Software without the consent or authorization of the Plaintiff. Upon information and belief, customers of Defendants Qello and Qello Holdings are downloading over twelve hundred (1200) copies of Plaintiff's Copyright-Protected Software and/or derivative works thereof per day and Defendant Kaltura is enabling said downloads and thus contributing to the infringement. Upon information and belief, Defendants Doman and Door 3 previously infringed by knowingly and willfully copying, distributing, making derivative works and otherwise utilizing the Plaintiff's Copyright-Protected Software.

30. As a result of the foregoing, Plaintiff has been damaged and is suffering continuing and irreparable harm and prays for injunctive relief.

Second Cause of Action
Injunction

31. Plaintiff repeats and realleges each and every allegation of paragraphs 1

through 30 of this Complaint as if specifically pleaded herein.

32. As a result of the occurrences stated herein, Plaintiff has been damaged and continues to suffer irreparable harm to its business relationships and prospects for which monetary damages are insufficient.

33. Wherefore, Plaintiff prays for an injunction pursuant to 17 U.S.C. § 502 to prevent and restrain infringement by ordering the Defendants Qello and Qello Holdings to cease the marketing and sale of the Qello HD concert application or any other software or mobile applications, ordering Defendant Kaltura to cease enabling this marketing and selling, and direct all the Defendants to otherwise suspend their use of Plaintiff's Copyright-Protected Software and in any way disseminating the copyrighted materials of Plaintiff, thus returning the parties to the status quo that enforces Plaintiff's termination of the license to Plaintiff's Copyright-Protected Software.

Third Cause of Action
Statutory Damages

34. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 33 of this Complaint as if specifically pleaded herein.

35. As a result of Defendants willful and knowing conduct, Defendants infringed the copyrighted work of Plaintiff.

36. Wherefore, Plaintiff demands that an Order be entered pursuant to 17 U.S.C. § 504 awarding enhanced statutory damages for each infringement of Plaintiff's copyrighted works alleged herein.

Fourth Cause of Action
Seizure and Impounding

37. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 36 of this Complaint as if specifically pleaded herein.

38. Plaintiff prays for an Order pursuant to 17 U.S.C. § 503 for the impounding of all materials, including by way of example without limitation, all copies of software or electronic files that comprise the entertainment content delivery apps currently being sold by Qello and/or the Defendants, as well as all documents, emails, electronic or computer files and/or financial records documenting the development, manufacture, marketing and/or sale of Defendants' apps or other products, used to infringe and violate Plaintiff copyright owner's exclusive rights.

Fifth Cause of Action
Misappropriation of Trade Secrets

39. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 38 of this Complaint as if specifically pleaded herein.

40. Plaintiff possessed, developed and maintained its technological know-how and kept it secret within the company. Plaintiff's aforementioned know-how and technology provided a competitive edge to Plaintiff and enabled it secure customers such as Qello.

41. On information and belief, beginning in November 2010, Defendant Dan Doman, working in concert with the other Defendants, misappropriated Plaintiff's technology and trade secrets developed over a period of years for the targeted delivery of entertainment content, and utilized them to build Qello's top-selling apps and said apps

continue to be sold. Defendant Doman had previously signed a Non-Disclosure Agreement with Plaintiff that he would not disclose Plaintiff's technology. Doman broke that promise in his attempt to secure a position at Defendant Qello, which he ultimately obtained. Defendants therefore procured Plaintiff's know-how and trade secrets by improper means and by Defendant Doman's breach of the Doman NDA.

42. Plaintiff has been damaged in an amount not less than \$750,000.00 and prays for money damages and injunctive relief to enjoin the continued use of its trade secrets.

Sixth Cause of Action
Conversion

43. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 42 of this Complaint as if specifically pleaded herein.

44. Plaintiff developed and maintained its technological know-how and kept it secret within the company. Plaintiff's aforementioned know-how and technology provided a competitive edge to Plaintiff and enabled it secure customers such as Qello.

45. Acting without authorization of Plaintiff, Defendant Dan Doman, working in concert with the other Defendants, misappropriated Plaintiff's technology and trade secrets and other property and the Defendants utilized them to build Qello's top-selling apps and said apps continue to be sold.

46. Plaintiff has been damaged in an amount not less than \$750,000.00.

Seventh Cause of Action
Breach of Contract – Breach of the Qello License

47. Plaintiff repeats and realleges each and every allegation of paragraphs 1

through 46 of this Complaint as if specifically pleaded herein.

48. Plaintiff and Defendants Qello/Qello Holdings entered into a license agreement – the Qello License – executed June 25, 2010.

49. Plaintiff fully performed under the contract.

50. The contract specifically provided for the payment of license fees and related fees for the use of the Plaintiff's technology.

51. Defendants Qello/Qello Holdings breached the agreement by failure to pay fees and cure within the 30 day window.

52. By July 19, 2012 letter, Plaintiff rescinded Defendants Qello/Qello Holdings license to use its technology, including Plaintiff's Copyright-Protected Software.

53. Although demand was made to cease and desist, Defendants Qello/Qello Holdings have persisted in infringing Plaintiff's Copyright-Protected Software and technology and refuse to cease.

54. Defendants Qello/Qello Holdings have not made any attempt to pay for their use of Plaintiff's Copyright-Protected Software and technology since termination.

55. As a result of the foregoing, Defendant(s) have breached the contract and Plaintiff has been damaged in an amount not less than \$150,000.00 exclusive of costs.

56. Plaintiff prays that the Court find rescission of the Qello license warranted due to Defendant Qello/Qello Holdings' material breach and award damages to Plaintiff.

Eighth Cause of Action
Unjust Enrichment/Quantum Meruit
As to Defendants Qello and Qello Holdings

57. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 56 of this Complaint as if specifically pleaded herein.

58. Plaintiff and Defendants Qello and/or Qello Holdings entered into a license agreement – the Qello License – executed June 25, 2010.

59. Defendants Qello and/or Qello Holdings never had any intention of honoring the agreement. There was no meeting of the minds on the terms of the agreement.

60. The Qello License is null and void.

61. Defendants Qello and/or Qello Holdings have not made any attempt to pay for their use of Plaintiff's Copyright-Protected Software and technology since termination.

62. As a result of the foregoing, Defendant has been unjustly enriched and Plaintiff has been damaged in an amount not less than \$150,000.00 exclusive of costs.

Ninth Cause of Action
Defendants' Common Law Unfair Competition

63. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 62 of this Complaint as if specifically pleaded herein.

64. This cause of action arises under the common law of unfair competition in New York State.

65. The acts of the Defendants in misappropriating Plaintiff's technology and

trade secrets and their other acts complained of herein constituted a successful attempt to encroach on the business of Plaintiff and destroy it by copying and utilizing and selling Plaintiff's technology and thus unjustly profiting from Plaintiff's expenditure of time, labor and talent.

66. Defendants have unfairly competed with Plaintiff by the acts complained of, have done so intentionally, and have caused and continue to cause irreparable harm and injury to Plaintiff.

67. Plaintiff prays for damages in an amount not less than \$750,000.00 exclusive of costs.

Tenth Cause of Action
Civil Conspiracy

68. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 67 of this Complaint as if specifically pleaded herein.

69. Two or more Defendants, and in the case of the corporate Defendants, its management or those in control of said Defendants, agreed in bad faith among themselves to a plan to misappropriate Plaintiff's technology and trade secrets and/or convert said technology for its own use without the authorization of Plaintiff.

70. Said defendants conspired with each other to breach non-disclosure agreements and related contracts to execute their plan.

71. Said defendants undertook a scheme to violate Plaintiff's rights in the New York market and beyond by taking its technology and business relationships and using them for their own profit.

72. Plaintiff has been irreparably damaged by Defendants in that prospective

business relations have been destroyed and economic advantage lost and Plaintiff has suffered damages in an amount not less than \$150,000.00 exclusive of costs.

Eleventh Cause of Action
Tortious Interference with Contract and Economic Advantage

73. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 72 of this Complaint as if specifically pleaded herein.

74. Plaintiff had agreements with at least three of the Defendants.

75. By misappropriating Plaintiff's technology and trade secrets and engaging in conduct to defeat the purpose of the Qello and Kaltura license agreements, one or more Defendants tortiously interfered with Plaintiff's prospective contractual relations and economic advantage.

76. Said defendants used unfair and improper means to interfere with Plaintiff's prospective contractual relations and economic advantage.

77. Said defendants were the actual and proximate cause of Plaintiff's destroyed goodwill and ruined economic advantage.

78. Said defendants tortiously interfered with Plaintiff's economic advantage.

79. Plaintiff has been injured in that its economic advantage and prospective business relations have been destroyed, costing it substantial damages in an amount not less than \$150,000.00 exclusive of costs and causing irreparable damage to its goodwill and future business venture and business relations.

Relief Sought

WHEREFORE, Plaintiff prays for judgment as follows:

80. That by order of this Court, Defendants, their officers, principals, agents,

servants, employees, attorneys, successors and assigns, and all persons in privity, active concert, or participation with Defendants, be permanently enjoined and restrained from using, copying, distributing, offering for sale, advertising, marketing or in any way disseminating Plaintiff's Copyright-Protected Software or derivative works containing Plaintiff's Copyright-Protected Software or Plaintiff's technology or trade secrets, in any form whether whole, derivative or otherwise and further preliminarily and thereafter permanently enjoined and restrained from

- a. engaging in any course of conduct likely to cause confusion, deception or mistake, or to injure Plaintiff's business reputation;
- b. engaging in any course of conduct likely to enable Defendants to benefit from the valuable goodwill and reputation established by Plaintiff;
- c. engaging in any course of conduct, whether explicit or implicit, which is calculated or likely to mislead the public into believing that Defendants are the same as, related to, endorsed by, connected with, affiliated with or somehow associated with Plaintiff;

81. That by Order of this Court, Defendants be directed to file with this Court and serve on Plaintiff within thirty (30) days after the service of an injunction, a report in writing under oath, setting forth in detail the manner and form in which Defendants have complied with the injunction.

82. That by Order of this Court, Defendants be required to deliver up and destroy all products, packaging, labeling, literature, advertising and other material containing the infringing software applications or other infringing products.

83. That judgment be entered against Defendants in favor of Plaintiff for such damages as Plaintiff has sustained in consequence of Defendants' infringement of said copyright, theft of trade secrets and other activities set forth herein but in no case less than \$1,500,000.00.

84. That judgment be entered against Defendants in favor of Plaintiff for such damages as Plaintiff has sustained in consequence of Defendants Qello and Kaltura's breach of contract but in no case less than \$150,000.00.

85. That an Order be entered compelling Defendants to account for and pay over to Plaintiff all gains, profits, and advantages derived by each Defendant by its infringement of Plaintiff's copyrights or such damages as to the Court shall appear proper within the provisions of the copyright statutes.

86. That an Order pursuant to 17 U.S.C. § 503 be entered for the impounding of all materials, including by way of example without limitation, all copies of software or electronic files that comprise the entertainment content delivery software applications or "apps" currently being sold by Qello and/or the Defendants, as well as all documents, emails, electronic or computer files and/or financial records documenting the development, manufacture, marketing or sale of Defendants' apps or other products, used to infringe and violate Plaintiff copyright owner's exclusive rights.


87. That judgment be entered against Defendants in favor of Plaintiff for such damages, costs and expenses as Plaintiff has incurred in regard to this lawsuit.

88. That Plaintiff be awarded costs of this action and reasonable attorney's fees to be fixed by the Court and that Plaintiff have such other and further relief as is just.

Dated: January 22, 2013

New York, New York

Respectfully submitted,



Jeremiah F. Manning (JM-9831)

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(646) 652-6851
(917) 757-1485
jfm@manningesq.com
Attorneys for Plaintiff

INDIVIDUAL VERIFICATION

Plaintiff being duly sworn deposes and says:

1. That I am the President & CEO of the Plaintiff in the action herein and I have authority to sign for and act on behalf of said Plaintiff.
2. I swear under penalties of perjury of the laws of the United States of America that I have read the Complaint herein and know of the contents hereof and the same are true to my knowledge, except those matters therein which are stated to be alleged on information and belief, and as to those matters I believe them to be true.



John Sullivan, Sr.
President & CEO
Media Addiction, Inc.
Plaintiff

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

MEDIA ADDICTION, INC.,

Plaintiff,

vi.

QELLO, LLC, QELLO HOLDINGS LLC,
KALTURA, INC.,
DOOR 3 LTD.,
and
DANIEL DOMAN, an individual,
Defendants.

Civil Action No. _____

JURY DEMAND

JURY DEMAND

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff hereby
demands a jury trial for all issues properly triable before a jury.

Respectfully submitted,


Jeremiah F. Manning (JM-9831)
Manning, Esq.
Law Offices
49 Oldox Road
Delmar, NY 12054
(917) 757-1485
jfm@manningesq.com
Attorneys for Plaintiff

New York, New York
January 22, 2013

EXHIBIT A

Certificate of Registration



This Certificate issued under the seal of the Copyright Office in accordance with title 17, *United States Code*, attests that registration has been made for the work identified below. The information on this certificate has been made a part of the Copyright Office records.

Maria A. Pallante

Register of Copyrights, United States of America

Registration Number
TXu 1-803-697

**Effective date of
registration:**
May 29, 2012

Title _____

Title of Work: Media Addiction Content Delivery and Metadata Platform Version 3.3.4

Completion/Publication _____

Year of Completion: 2010

Author _____

■ **Author:** Media Addiction, Inc

Author Created: computer program

Work made for hire: Yes

Domiciled in: United States

Copyright claimant _____

Copyright Claimant: Media Addiction, Inc

1207 Hillsboro Mile, Hillsboro Beach, FL, 33062, United States

Limitation of copyright claim _____

Material excluded from this claim: computer program

New material included in claim: computer program

Rights and Permissions _____

Organization Name: Manning, Esq.

Name: Jeremiah Francis Manning

Email: jfm@manningesq.com

Telephone: 917-757-1485

Address: 49 Oldox Road

Delmar, NY 12054 United States

Certification _____

Name: Jeremiah F. Manning

Date: May 29, 2012

Applicant's Tracking Number: MA 001

Manning, Esq.
Jeremiah Francis Manning
49 Oldox Road
Delmar, NY 12054 United States

Registration #: TXU001803697
Service Request #: I-773492271



EXHIBIT B

Qello, LLC

Qello, LLC
Contract & License

Qello/MA 6/22/10


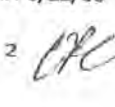
1. Introduction

This contract covers an agreement between Media Addiction and Qello, LLC whereby Media Addiction, in consultation with Qello, LLC and other parties, will define the architecture and coordinate the system build for delivering Qello's personalized concert experience to be delivered via the Web, mobile devices, gaming consoles and IPTV. That architecture will include the licensing and customization of Media Addiction's Persona™ Platform.

The contract is laid out in phases with suggested timeframes. However, it is recognized that 'time-to-market' may be an important factor and therefore these timeframes may be accelerated as possible but that acceleration may incur additional costs. Additionally, in recognition of 'time to market' concerns, phases are shown as overlapping and will be managed as such, as much as is feasible.

The specific timeframe for this project, including start and end dates for initial support and customization, will be finalized as part of Phase 1: the 'Scope of Work'.

Qello/MA 6/22/10

 2 

CONFIDENTIAL

2. Project Elements

The project is deemed to require a complex solution in that it will combine elements from two or more providers. Potential elements include:

- Project Management
- Scope of Work (what does this mean, SOW's are tool, not a provide function or service – agreed. Just usually part of the engagement to develop the SOW
- Database Development
- Metadata Services
 - Customization
- Application/user-interface development
- Video Delivery services
 - Customization
- Storage and Bandwidth
 - Customization

3. Video Services Architecture



Media Addiction, having spent time evaluating various options for a 'video services' partner and taking into account the long term needs of the project, is making the following proposal for architecture as it relates to storage and serving of video or the video services. We believe that control of the solution and content is critical and that savings in bandwidth and storage over time will more than offset higher initial costs. (Please see Appendix B for details)

Amazon Web Services

- Storage
- Bandwidth/Delivery (Akamai or Limelight)

Kaltura

Qello/MA 6/22/10

3  

- Video management console, player, ad-network integration & metrics

4. Project Timeline

- **Project Management Site** Day 1
Media Addiction will provide a project management site to be used as a central location for all information related to the project. This would include project information and platform documentation.
- **Set up of video services partner - Kaltura** Day 3
- **Technical Specs** Day 8
Media Addiction will produce technical specifications showing how to integrate Qello's front end code with the Persona platform through the web services API as well as overall 'system' architecture requiring consultation with other parties.
- **Media Addiction Instance set up** Day 10
- **Customization of Qello Instance of Platform**
Customization of the MA Persona platform to meet the needs of the project as defined during the scope of work.
 - Qello schema development Day 14
 - Extend Persona to expose user data through web services API Day 28
 - Integration of Persona & Kaltura console Day 35
- **Ingestion of Content Metadata begins** Day 18

5. Miscellaneous

- **Knowledge Transfer** – MA will provide training, documentation and code samples for Qello, LLC personnel.
- **Support Services** – MA will provide support for the platform and for Qello, LLC personnel for development on the platform.

Qello/MA 6/22/10

- **Portal Development and Programming** - Should Qello, LLC require any portal/interface design, programming and development services MA will provide quotes on a case-by-case basis.

6. Project Costs

Phase 1 MA + Fully Hosted Video Platform

	<u>Monthly</u>	<u>One Time</u>
Project Management (2 - 4 months)	\$10,000/mo	
Media Addiction Enterprise License*		\$50,000
MA Platform Customization/NRE		\$15,000

* See Appendix B for MA Persona License

Video Platform - Fully Hosted

Bandwidth - Phase 1 - 1000 GB	\$250	
Bandwidth Overage	\$1.00/GB*	
Video Services - Set up		\$10,000**
Video Services - Ongoing	\$4900	

*Note bandwidth cost decreases with volume but comes in 'use or lose' packages.

** Presuming set up with intention of transitioning to self-hosted

Phase 2 - Transition to Self Hosted Video Platform

Video Services License		\$50,000
Storage Architecture - Phase 2*	\$ TBD	\$TBD
Bandwidth	\$0.15/GB*	
Video Services - Set up		\$25,000**
Video Services - Ongoing	\$TBD	

Qello/MA 6/22/10

*Note bandwidth cost decreases with volume and you only pay for actual use

** Subject to confirmation

7. Fee Schedule

Upon Contract	\$40,000
(Includes: MA 1 st license fee \$20K, Monthly Project Mgmt \$10K, Vid Svcs Set up \$10K)	
Month 2	\$37,500
(Includes: MA 2 nd license fee \$20K, Monthly Project Mgmt \$10K, 1 st MA NRE \$7.5K)	
Month 3	\$27,500
(Includes: MA 3 rd license fee \$10K, Monthly Project Mgmt \$10K, 2 nd MA NRE \$7.5K)	
Fully Hosted Video Services	\$4900/mo

- * Note: Remaining \$25K set up fees for self-hosted video services delayed until final decision made.
- * Monthly hosting fees begin upon completion of set up and handover of platform. Please see attached DC3/MA Enterprise License for detail including ongoing annual maintenance fees and revenue share for unique value added services enabled by Media Addiction.

8. Acceptance Note

Qello, LLC Music Group/Qello herewith agrees to the services and fee structures offered by Media Addiction in this document.

Qello, LLC Music Group

By : [Signature]
 Print Name : Brian Lisi
 Title : CEO
 Date : 6/25/10

Qello/MA 6/22/10

Media Addiction, Inc

By : Chris Chappell

Print Name : CHRIS CHAPPELL

Title : VP SALES : MKTG

Date : 6/26/10

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Appendix A:

**Media Addiction, INC.
SOFTWARE AS A SERVICE/LICENSE AGREEMENT**

This Software as a Service License Agreement (the "Agreement") is between Media Addiction, Inc., with offices located at 3052 E. Rock Wren Rd, Phoenix AZ ("Company"), and Qello, LLC, DBA Qello, with offices located at 40 W. 17th St, NY NY (the "Customer"), and is effective as of 10th June, 2009 (the "Effective Date"),

Company is a provider of personalized media and entertainment services through metadata mediation and management. Company has developed and maintains proprietary software that enable and support web-based delivery of such services and technologies. Customer desires access to such proprietary systems and services to conduct its online business.

In consideration of the terms contained in this Agreement, the parties agree as follows:

1. Definitions.

- (a) "Application(s)" means the Media Addiction 'Persona Platform', the accompanying documentation, and all updates, upgrades and enhancements thereof that may be provided by Company hereunder.
- (b) "Services" means the customer's use of the Application in its various forms.
- (c) "Customer Content" means any unique content provided by the customer or the customer's users.
- (d) "Customer Interface" means the web-based interface hosted by Company by which Customer may access the Company System's management and reporting tools.
- (e) "Customer Site" means the website located at <http://qello.com>, and all subpages and successor sites thereof.
- (f) "Confidential Information" means any information disclosed by either party pursuant to this Agreement that is (a) is in written, graphic, machine readable or other tangible form and is marked "Confidential," "Proprietary" or in some other manner to indicate its confidential nature, or (b) in the case of oral or visual disclosure is identified as confidential at the time of disclosure and reduced to tangible form, marked as confidential, and provided to the receiving party within a reasonable time not to exceed thirty days, or (c) under the circumstances should in good faith be considered to be confidential. Notwithstanding the foregoing, all technology or proprietary information underlying the Applications and the Company System shall be deemed Confidential Information of Company without any need for designating the same as confidential or proprietary.
- (g) "Data" means all data generated by the Company System, including without limitation.
- (h) "Developments" means the collective ideas, know-how, or techniques developed or conceived by Company as a result of providing the Company System to Customer, including without limitation any derivative works, improvements, enhancements and/or extensions made to the Company System or Company Intellectual Property, and all intellectual property rights therein and thereto throughout the world.
- (i) "Intellectual Property" means a party's proprietary technology, including websites, software tools, hardware designs, algorithms, software, user interface designs, architecture, documentation, network designs, know-how, and trade secrets, and all intellectual property rights therein and thereto throughout the world (whether owned by such party or licensed to such party by a third party).
- (j) "User" means an end user of the Company System on the Customer Site.
- (k) "Company Content" means all content, including without limitation software (in object or source code form), script, programming code, data, information, structural hierarchies, processes, HTML code, trademarks, images, illustrations, graphics, multimedia files and/or text, contained in the Company System except for the Customer Content.
- (l) "Company System" means the Applications operated on Company's hosting servers or those of its hosting service provider intended to enable the Customer and Users to interact with the same via the world wide web. Without limiting the foregoing, the Company System shall include the Applications, the Company Content, and the Customer Interface.

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2. Responsibilities of Company.

- (a) Company will set up the Applications for use by the Customer and its Users in accordance with the statement of work and project proposal, and host and maintain the Applications on servers operated and maintained by the Company for the development phase. Company may in its sole discretion modify, enhance or otherwise change the Applications, upon prior written notice to the Customer. Company may delegate the performance of certain portions of the Company System to third parties, including Company's wholly owned subsidiaries, provided Company remains responsible to Customer for the delivery of the Company System.
- (b) Company will host and maintain the Customer Interface, and provide Customer access to the Customer Interface pursuant to a password protected user account. Company reserves the right to periodically change issued passwords. Company will provide prompt notice to Customer of any such password changes.
- (c) Company shall provide technical support of the Company System as set forth in Exhibit A for the development phase. The Customer may purchase Company ongoing support services beyond the development phase under the terms of a separate statement of work. Company shall not be obligated to provide to the Customer any new release of any Applications or other applications or services for which Company generally charges a separate fee.
- (d) The Service is accessible by the customer through the administrative console and through published Application Program Interfaces (API). Other than the standard versions of these methods of access, the Company will not provide any additional engineering or customization services unless explicitly enumerated in the statement of work or project spec docs.

3. Responsibilities of Customer.

- (a) **Once project scope is finalized, changes will be requested and approved using the Change Order Form in Appendix G.**
- (b) The Customer will be responsible for obtaining and maintaining at the Customer's expense all the necessary computer hardware, software, modems, connections to the Internet and other items required for the access and use of the Company System and Customer Interface by the Customer and the Users.
- (c) Customer shall (i) provide the Customer Content as mutually agreed by the parties, and (ii) provide, host, and maintain the Customer Site.
- (d) Customer shall promptly inform Company of all new products and services, and changes to existing products and services, that Customer plans or contemplates to offer to Users in connection with the Customer Site (collectively "Changes"), and shall promptly provide all appropriate additional and/or updated Customer Content relating to such Changes to Company. Any additional set-up or customization required to implement any Change with the Applications shall be subject to the terms of a separate statement of work and applicable fees.
- (e) During the term of this Agreement, the Customer shall use its commercially reasonable efforts to cooperate with Company in developing and sharing testimonials, anonymous case studies, marketing materials, return-on-investment calculations and measurement criteria for the purpose of substantiating the value, benefits and cost savings derived from the Company System.
- (f) Customer agrees that it will not (i) attempt to reverse engineer or otherwise discover the inner workings of the service or its underlying technology for the purpose of modifying, duplicating or circumventing its operation (ii) attempt any operation, or knowingly allow its users to attempt any operation or exploit wherein harm might reasonably be expected to come to the Company, its infrastructure or its ability to conduct its business. Such activities include (but are not limited to) denial of service attacks and similar exploits. Customer agrees to take prompt action against any such harmful activities by its users.
- (g) This Agreement grants certain rights, including the right to use the Service in certain defined ways, and excludes other rights, such as the right of resale or transfer, the rights to any intellectual property associated with the Service etc. Any other rights not specifically granted by this Agreement are presumed to be excluded.

- 4. Right to Monitor.** Company will have the right to review and monitor all use of the Company System to ensure compliance with all of the terms of this Agreement.

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5. Licenses.

- (a) **License to the Customer.** Subject to the terms and conditions of this Agreement, Company hereby grants the Customer a limited, personal, non-transferable license during the Term to (i) use the Applications and Company Content via the Company System in the manner contemplated by this Agreement solely for the purposes of providing services for www.qello.com, and (ii) use the Data solely to use and evaluate the Company System. The Customer shall have no right to sub-license or resell the Company System or any component thereof.
- (b) **License to Company.** Subject to the terms and conditions of this Agreement, the Customer hereby grants Company a limited, worldwide, non-exclusive, royalty-free license during the Term to (i) use, reproduce, electronically distribute, transmit, have transmitted, publicly perform, publicly display, store, archive, and make derivative works of the Customer Content in order to provide the Company System, and (ii) access the Customer Site as required to provide the Company System. Company shall have no right to sub-license or resell the Customer Content or any component thereof.
- (c) **Company Attribution.** Company shall have the right to an attribution in any area on the Customer Site where a User interacts with a Virtual Agent, substantially in the form of "Company Inside" or "Powered by Company" or as otherwise mutually agreed by the parties.

6. Payments and Taxes.

- (a) The Customer agrees to pay the license and shared revenue fees set forth in Exhibit C. Other project fees are outlined in the separately attached Proposal. Fees are subject to change upon the first day of each Renewal Term with forty-five (45) days prior written notice. Customer shall pay each invoice issued by Company hereunder within thirty (30) days of the invoice date. All payments shall be made in U.S. dollars in immediately available funds, and are non-refundable. Any amounts not paid when due shall bear interest at the rate of one and one-half percent (1.5%) per month or the maximum rate allowed by law, whichever is less.
- (b) The fees hereunder are exclusive of, and Customer shall pay, any sales, use and other taxes and similar charges based on or arising from the Company System, this Agreement or its performance, other than taxes based on Company's net income.
- (c) The Customer will reimburse Company for reasonable travel and living expenses incurred by Company in performing services at sites other than Company facilities at the Customer's request (including without limitation, services relating to set-up, training, technical support and consulting).

7. Warranties and Disclaimers.

- (a) **Warranty of Conformity.** Company warrants that the Applications will operate in substantial accordance with Company's standard published documentation relating to the Applications during the term of this Agreement. The foregoing warranty shall not apply to performance issues of the Company System (i) caused by factors outside of Company's reasonable control; (ii) that result from any actions or inactions of Customer or any third parties; or (iii) that result from Customer's data structure, operating environment or equipment. Should the Applications not perform or function as expressly warranted herein, Company shall use its commercially reasonable efforts to correct the nonconformities giving rise to such breach. Should Company fail, or be unable, to do so, the Customer shall have the right to terminate this Agreement in accordance with Section 8. The foregoing remedies shall be Customer's sole and exclusive remedies and Company's entire liability for any breach of the warranty set forth in this Section 7(a).
- (b) **General.** Each party represents and warrants that (i) such party is a corporation duly organized, validly existing, and in good standing under the laws of the state of its incorporation, and has the full power and authority to enter into and perform its obligations under this Agreement; and (ii) the execution, delivery, and performance by such party of this Agreement, including without limitation the provision of the Company System (as to Company), or the Customer Content and Customer Site (as to Customer), does not and will not violate any applicable statute, regulation, or law, or infringe any intellectual property right or other legal right of any third party.
- (c) **DISCLAIMERS.** EXCEPT AS PROVIDED IN THIS SECTION 7 AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE APPLICATIONS, THE COMPANY SYSTEM AND ALL RELATED INFORMATION, TECHNOLOGY AND SERVICES PROVIDED BY OR ON BEHALF OF COMPANY ARE PROVIDED "AS IS" AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, AND COMPANY EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE (EVEN IF COMPANY IS ADVISED OF THE PURPOSE), ACCURACY AND/OR NON-INFRINGEMENT. IN ADDITION, COMPANY DOES NOT WARRANT THAT ACCESS TO THE APPLICATIONS WILL BE UNINTERRUPTED OR ERROR FREE, THAT THE APPLICATIONS WILL MEET CUSTOMER'S NEEDS, OR THAT DATA WILL NOT BE LOST.

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8. Term, Termination, Suspension and Survival.

(a) Unless earlier terminated under this Section 8 or Section 16, this Agreement will have an initial term of [one year] (the "Initial Term"), which shall commence as of the Effective Date, and shall thereafter automatically renew for additional periods of one (1) year unless either party provides written notice of its intention not to renew to the other party at least thirty (30) days prior to expiration of the current term (any such "Renewal Term," together with the Initial Term, the "Term").

(b) In addition to any other available remedies, either party may terminate this Agreement upon (30) days written notice if (i) the other party has breached this Agreement and not cured such breach within such notice period, or (ii) the other party becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, initiates or becomes subject to any proceeding under any bankruptcy or insolvency law, or has wound up or liquidated its business. In addition to other remedies available to it, Company may in its discretion terminate this agreement upon five (5) days written notice to the Customer and/or suspend, upon five (5) days written notice, the Customer's and the Users' access to the Company System in the event that the Customer does not pay any amount owing under this Agreement when due.

(c) Upon termination or expiration of this Agreement, all licenses granted hereunder shall immediately terminate and each party shall promptly cease all use of the other party's logos and promptly cease representing itself as the customer or partner of the other. In addition to payment obligations accruing prior to the effective date of termination or expiration, which shall immediately become due and payable upon such date, the following provisions shall survive any termination or expiration of this Agreement: Sections 1, 6(b), 7(c), 8(c), 9-12 and 14-18.

9. LIMITATION OF LIABILITY. EXCEPT FOR INDEMNIFICATION OBLIGATIONS UNDER SECTION 11, THE AGGREGATE LIABILITY OF COMPANY AND ITS LICENSORS TO THE CUSTOMER ARISING FROM ACCESS TO OR USE OF THE COMPANY SYSTEM, OR THE PROVISION OF TECHNICAL SUPPORT, INSTALLATION, TRAINING OR OTHER SERVICES IN CONNECTION THEREWITH, OR OTHERWISE IN CONNECTION WITH THIS AGREEMENT AND/OR ITS SUBJECT MATTER, HOWEVER CAUSED, AND ON ANY THEORY OF LIABILITY, INCLUDING WITHOUT LIMITATION CONTRACT, STRICT LIABILITY, NEGLIGENCE AND/OR OTHER TORT, SHALL IN NO EVENT EXCEED THE AMOUNT OF THE FEES THAT HAVE BEEN PAID TO COMPANY HEREUNDER DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE FIRST EVENT GIVING RISE TO SUCH LIABILITY. EXCEPT FOR BREACH OF THE CONFIDENTIALITY OBLIGATIONS IN SECTION 12, IN NO EVENT WILL EITHER PARTY OR ITS LICENSORS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOSS OF PROFITS, REVENUE, DATA OR DATA USE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING LIMITATIONS FORM AN ESSENTIAL BASIS FOR THIS AGREEMENT AND SHALL SURVIVE REGARDLESS OF THE FAILURE OF ANY REMEDY OF ITS ESSENTIAL PURPOSE.

10. Ownership.

(a) Company. Subject only to the limited license expressly granted under this Agreement, as between Company and Customer, Company shall retain all right, title and interest in and to the Company System (excluding the Customer Content and Customer Site), the Developments, the Data, and all Intellectual Property rights therein. Nothing in this Agreement will confer on Customer any right of ownership or interest in the Company System (excluding the Customer Content and Customer Site), the Developments, the Data, or the Intellectual Property rights therein.

(b) Customer. Subject only to the limited license expressly granted hereunder, as between Customer and Company, the Customer shall retain all right, title and interest in and to the Customer Site (excluding the Company System), the Customer Content, and all Intellectual Property rights therein. Nothing in this Agreement will confer on Company any right of ownership or interest in the Customer Site (excluding the Company System), the Customer Content, or the Intellectual Property rights therein.

(c) During the Term and at any other time thereafter, at Company's request Customer shall execute any and all documents and perform any and all acts that Company may reasonably require in order to protect and perfect Company's rights in all Company Intellectual Property, or to apply for, obtain, and vest in the name of Company alone all patents, copyrights, trademarks, or other similar protection for any Company Intellectual Property, and, when so obtained or vested, to maintain, renew, and restore the same.

11. Indemnity

(a) Each party shall indemnify, defend and hold the other party and its officers, directors, employees, agents, successors and assigns harmless from and against all third-party claims, suits, actions, damages, settlements, losses, liabilities, costs (including without limitation reasonable attorney's fees) and expenses arising from such party's breach of its representations and warranties in Section 7(b). This indemnity does not apply to, and Company will have no obligation to the Customer for, any infringement or misappropriation claim that arises from (i) modifications to the Company System by anyone other than Company, (ii) modifications to the Company System based upon specifications furnished by the Customer, (iii) Customer's and/or any of its Users' use of the Company System other than as specified in this Agreement or in the applicable documentation, (iv) use of the Company System in conjunction with third-party software, hardware or data other than that

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approved by Company, or (v) any combination of the foregoing. Customer shall indemnify, defend and hold Company and its officers, directors, employees, agents, successors and assigns harmless from and against all third-party claims, suits, actions, damages, settlements, losses, liabilities, costs (including without limitation reasonable attorney's fees) and expenses to the extent they arise from claims of infringement or misappropriation arising from the factors in the foregoing sentence.

(b) **Process.** The indemnified party shall promptly notify the indemnifying party in writing of any claim for which it seeks indemnification hereunder; provided that the failure to provide such notice shall not relieve the indemnifying party of its indemnification obligations hereunder except to the extent of any material prejudice directly resulting from such failure. The indemnifying party shall bear full responsibility for, and shall have the right to solely control, the defense (including any settlements) of any such claim; provided, however, that (i) the indemnifying party shall keep the indemnified party informed of, and consult with the indemnified party in connection with the progress of such litigation or settlement and (ii) the indemnifying party shall not have any right, without the indemnified party's written consent, to settle any such claim in a manner that does not unconditionally release the indemnified party.

(c) **Remedies.** In the event any portion of the Company System is held or believed by Company, or any portion of the Customer Content or Customer Site is held or believed by the Customer, to infringe intellectual property rights of any third party (such portion to be deemed the "Infringing Materials") in any place where the Company System is used or accessed, then in addition to any other rights in this Section 11, Company (where the Infringing Materials are the Company System) or Customer (where the Infringing Materials are the Customer Site or Customer Content) shall, at its sole expense and at its option: (i) obtain from such third party the right for the other party to continue to use the Infringing Materials; or (ii) modify the Infringing Materials to avoid and eliminate such infringement or misappropriation, as the case may be; or (iii) upon mutual agreement with the other party, remove and disable the Infringing Materials; or (iv) if none of the foregoing remedies is commercially feasible, terminate this Agreement.

(d) This Section 11 contains each party's sole and exclusive remedy, and each party's entire liability, with respect to infringement or alleged infringement of third party intellectual property rights.

- 12. Confidentiality.** Each party shall treat as confidential all Confidential Information of the other, shall not use such Confidential Information except as set forth in this Agreement, and will not disclose such Confidential Information to any third party except as expressly permitted herein without the disclosing party's written consent. The receiving party shall use at least the same degree of care which it uses to prevent the disclosure of its own confidential information of like importance to prevent the disclosure of the disclosing party's Confidential Information, but in no event less than reasonable care. The receiving party shall promptly notify the disclosing party of any actual or suspected misuse or unauthorized disclosure of any of the Confidential Information. In the event of any termination or expiration of this Agreement, each party will either return or, at the disclosing party's request, destroy the Confidential Information of the other party; provided however, that Company may retain copies of the Customer Confidential Information for routine backup and archival purposes. Notwithstanding the foregoing, the obligations set forth in this Section 12 shall not apply with respect to any information to the extent that it is: (i) already in the possession of the receiving party prior to the first disclosure hereunder as shown by records or files; (ii) is already part of the public knowledge or becomes part of the public knowledge after the time of disclosure other than as a result of any improper action by the receiving party; (iii) is approved in writing by the disclosing party; (iv) is required to be disclosed by applicable legal authority provided that, if practicable, adequate notice and assistance is given by the receiving party to the disclosing party for the purpose of enabling the disclosing party to prevent and/or limit the disclosure; or (v) is independently developed by either party without use of the Confidential Information from the other party.
- 13. Publicity.** Upon mutual agreement, the parties shall issue a joint press release or campaign covering this Agreement. Each party may display the other party's name and logo in customer/partner lists on its website and for corporate and financial presentations. Such use shall not be deemed to transfer any trademark rights in the logos.
- 14. Notices.** All notices and other communications required or permitted under this Agreement shall be in writing, addressed to the applicable party at its address set forth in this Agreement, and shall be deemed effectively delivered only: (i) upon personal delivery, (ii) upon delivery by a courier service as confirmed by written delivery confirmation, (iii) upon delivery by facsimile as confirmed by transmission receipt, or (iv) three (3) business days after being deposited in the regular mail as certified or registered mail (airmail if sent internationally) with postage prepaid. Either party may change its address for notice by giving notice to the other party in accordance with this section.
- 15. Governing Law, Jurisdiction and Venue.** This Agreement shall be construed in accordance with applicable U.S. federal law and the laws of the State of Arizona without regard to conflict of laws principles. Each of the parties to this Agreement consents to the exclusive jurisdiction and venue of the state and federal courts of Maricopa County, Arizona.
- 16. Force Majeure.** Other than for payment of money, a party shall be excused from any delay or failure in performance hereunder due to any labor dispute, government requirement, act of God, Internet congestion or breakdown, or any other cause beyond its reasonable control. Such party shall use commercially reasonable efforts to cure any such failure or delay in performance arising from such a condition, and shall timely advise the other party of such efforts. If such delay continues

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for more than sixty (60) days, the performing party may, upon not less than ten (10) days prior written notice to the non-performing party, terminate this Agreement.

- 17. Relationship of the Parties.** The relationship between the parties shall only be that of independent contractors. Neither party is an agent, representative, partner, employer, or employee of the other party, and neither party shall have any right or authority to assume or create any obligations or to make any representations or warranties on behalf of any other party, whether express or implied, or to bind the other party in any respect whatsoever.
- 18. General.** Neither party shall assign or transfer any obligations or benefit under this Agreement without the written consent of the other, which shall not be unreasonably withheld or delayed, except that Company may assign this Agreement to a successor in interest by way of merger, reorganization, asset sale or the like. Any purported transfer or assignment in violation of this section is void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns. This Agreement, together with its exhibit(s), is the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, and all prior and contemporary proposals and discussions relating to the subject matter of this Agreement, and controls over the preprinted terms of any purchase order or similar document. Any waiver by either party of any default or breach hereunder shall not constitute a waiver of any provision of this Agreement or of any subsequent default or breach of the same or different kind. All notices, modifications and waivers under this Agreement must be in a writing executed by a duly authorized representative of each of the parties. If any provision of this Agreement is determined to be unenforceable, that provision will be replaced with the valid one that most closely achieves the parties' intent and the remainder of this Agreement will remain enforceable. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

- 19. License Fees.** The following license fees shall apply.

	<u>Initial</u>	<u>Annual</u>
Media Addiction License:	\$50,000	
Media Addiction Maintenance & support @ 20%		\$10,000
* A share of value added advertising revenue (advertising facilitated and personalized via the MA platform) will be mutually negotiated.		
Video Services Platform	\$50,000	
(Should DC3/Quello transition to self hosted)		
Video Services Maintenance & support @ 20%		\$10,000

The parties have caused their duly authorized representatives to execute and deliver this Agreement as of the Effective Date.

Company, Inc. MEDIA ADDICTION
 Signature: [Signature]
 Name: CHRIS CHAPPELL
 Title: VP SALES & MKTG
 Date: 6/25/10

Customer Name: Quello, LLC
 Signature: [Signature]
 Name: Brian Lisi
 Title: CEO
 Date: 6/25/10

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A handwritten signature in black ink, appearing to be "R. Qello", written over the page number 14.

the addition

Appendix B:

Video Services Comparison & Criteria

Kit Digital:

While Kit Digital has, we believe, a first class video services platform and is in some ways slightly ahead of 'the pack', we also feel that their model is clearly targeted toward very large corporations and that their pricing structure makes it very difficult for them to be competitive for 'start up' companies that can become the next significant video serving hit.

- High up front costs - \$210,000 - ~\$300K+
- High Monthly - \$10,000+ (2TB storage, 1000 G/mo)
- Lack of flexibility of solution and pricing
- High bandwidth costs - 2.5 X

VMix:

VMix has a lower cost option but based on functionality, ability to support advanced functions and overall responsiveness we do not feel comfortable that we will get the level of support necessary.

Kaltura:

The Kaltura platform delivers comparable services and quality as any in the marketplace. The key differentiator from our, and Qello/DC3's, perspective is flexibility and the opportunity to manage and minimize ongoing cost of operation.

- Options for fully hosted or self hosted - \$4900/mo or \$50,000/yr. + set up costs
- Options for complete control/choice re: storage of your content
- Options for packaged bandwidth at competitive rates or self acquired bandwidth at much reduced rates and a pay-per-GB versus packages
- Option for complete control and ownership of your platform



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Appendix C:

STATEMENT OF WORK

Objective:

1. Define the demo
2. Define the scope of work to develop implement Qello's catalog asset base with Kaltura and Media Addictions solution
3. Define the roles and responsibilities of parties
4. Define timeline/milestones with this implementation project
5. Make Qello discoverable amongst consumers

Parties:

1. Azure Media d/b/a Qello; role: Client
Brian Lisi
Robert Frank
Tamecca Tillard
Programmer (TBD)
2. Media Addiction; role: Service Provider
Chris Brogan
Chris Chappell
John Schulteiss

Demo

Start Date: June 21st, 2010

End Date: July 31st, 2010

Description:

Qello desires to develop a solution for a digital syndication network for long form video that can be deployed and monetized to the following platforms via a personalized experience:

- Platforms
- a.) Web -- VOD, DTO
 - b.) IPTV - VOD
 - c.) Mobile - VOD
 - d.) Gaming -- VOD, DTO

The primary implementation goal is to exhibit how the Qello network can syndicate across multiple platforms and how the metadata is the "connective" layer that has the capacity to:

- 1.) Create content channels and uniform content and messaging across all platforms.
For example, the Qello Jazz channel content should be consistently represented across all platforms.
- 2.) personalize the user experience with recommendations and advertising
- 3.) identify the correct asset and deliver the correct asset to the user (i.e. device, screen size)
- 4.) feed metadata to search engines and potential syndicators (i.e. blogs, etc.) for "pick up" and circulation

EXHIBIT C

**MASTER LICENSE AND
PROFESSIONAL SERVICES AGREEMENT**

This MASTER LICENSE AND PROFESSIONAL SERVICES AGREEMENT together with any Order Form, or attachment hereto, is made as of the date of execution (the "Effective Date") and comprise the entire agreement (the "Agreement") by and between Kaltura, Inc., ("Kaltura"), and the company accepting the terms of the Agreement via a signed Order Form, ("Licensee"). Kaltura and Licensee are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

Kaltura and Licensee, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS.

Capitalized terms throughout this Agreement shall have the following meaning.

- a. "Application Programming Interfaces" and "API" shall mean the programmatic access points to the Hosted Services
- b. "Confidential Information" has the meaning set forth in Section 9.
- c. "Custom Work" means graphical and user-interface changes to the Kaltura's Software, created in order to adapt the look and feel of the Kaltura Software to the specific requirements of Licensee.
- d. "Documentation" means installation guides and/or other technical instructions, which Kaltura provides to Licensee hereunder, in conjunction with the Kaltura Hosted Services, either in hard copy or electronic copy, and any and all updates thereto.
- e. "Kaltura Application" means an application developed by Kaltura, or Licensee, that makes use of Kaltura Software, code and/or Hosted Services to deliver functionality to sites, and access APIs directly or through Kaltura Widgets
- f. "Kaltura Hosted Services" or "Kaltura Services" shall mean any of Kaltura's solutions, offered to Licensee as a service which runs from Kaltura's datacenter, including, without limitation, databases, metadata, files, and data either used to operate the services or incorporated therein, the system and processes, the Documentation and all corrections, Custom Work, modifications and enhancements (including any and all Intellectual Property pertaining thereto). Hosted Services may include Software which is provided to Licensee in order to facilitate access to the Hosted Services. The Hosted Services may access 3rd party web-services and/or content provided by 3rd parties and/or members of the Kaltura Network. Such access may change from time to time based on the discretion of said 3rd parties or Kaltura.
- g. "Kaltura Directory" means an indexed directory site of the content, including content metadata, in the KalturaNetwork, searchable by search-engines
- h. "Kaltura Software" means software developed by Kaltura, including without limitation "Widgets" "Flash Wizards", "Transcoding Engines", "Kaltura Management Console" including their Documentations, and Custom Work.
- i. "KalturaNetwork" means Kaltura's global collection of content, metadata related to the content and contributors, which includes content provided by content partners, by Kaltura licensees, and means of transporting and syndicating such content
- j. "Kaltura Widget" shall mean Software that is designed to access Hosted Services.

- k. "Intellectual Property" shall include, without limitation, copyrights, trade-secrets, trademarks (including the Marks), trade-names, domain names, patents, know-how, formulation, data, technology, designs, inventions, improvements, discoveries, processes, models or sales, financial, contractual and marketing information and all other intellectual or industrial property and like rights whether or not registered and the applications thereof.
- l. "Licensee Content" shall mean any content Licensee makes available to its Users via the Kaltura Hosted Services, except for User Submitted Media.
- m. "Licensee System" means the system owned or licensed by Licensee underlying Licensee's Internet service, and including, without limitation, any and all technology, know-how, trade secrets, inventions, standardized subroutines, computer programs, software tools, processes, coding, works of authorship, development tools and programming techniques which are incorporated therein (excluding Kaltura's Software and Hosted Services).
- n. "Order Form" means the form supplied by Kaltura in order for licensee to order Services under this Agreement.
- o. "Professional Services" shall mean any implementation work performed under this Agreement, including, integration of the Hosted Services with Licensee's System, as well as any Custom Work.
- p. "Publisher Content" means all of the content ingested to Kaltura via Licensee's account, including User Submitted Media and Licensee Content
- q. "User" means a legal entity or person that uses the Software, the KalturaNetwork, and/or Hosted Services for online transactions such as viewing, browsing, downloading, uploading, editing and otherwise engaging with the Software or Hosted Services.
- r. "User Submitted Media" shall mean any content created and submitted, or imported by Licensee's Users.

2. SCOPE OF AGREEMENT.

- a. Customer and its affiliated may order new or additional Hosted Services and Professional Services by executing an Order Form. An Order Form shall be effective upon execution by both Parties.
- b. Unless any provisions hereof are specifically excluded or modified in a particular Order Form hereto, each such Order Form shall be deemed to incorporate therein all the terms and conditions of this Agreement and may contain such additional terms and conditions as the parties may mutually agree. Unless specifically noted, the terms and conditions contained in a particular Order Form shall apply exclusively to the particular combination of Hosted Services and Software (and type of access to KalturaNetwork) described in such Order Form and shall have no effect on any other Order Form.

In the event of a conflict between any of the provisions of this Agreement and the terms and conditions of a specific Order Form, the provisions of the specific Order Form shall prevail. Neither party shall have any obligation with respect to any Hosted Services, including payment, delivery and/or acceptance thereof until an Order Form setting forth the specific terms with respect to such Hosted Service has been executed by both parties.

3. PERSONNEL.

- a. **Service Providers.** Licensee shall remain at all time liable and responsible for the actions and omissions of all subcontractors (other than Kaltura) that it may use in connection with the Hosted Services or this Agreement and agrees that such subcontractor(s) shall be subject to substantially similar obligations, including the confidentiality obligations, as set forth in this Agreement.

4. THE LICENSE; OWNERSHIP.

- a. **License to the Hosted Services, and the KalturaNetwork.** Subject to the terms and conditions of this Agreement, upon the execution of an applicable Order Form and subject to payment of any and all applicable amounts due to Kaltura hereunder, Kaltura will grant to Licensee, for the term of this Agreement, a worldwide, non-exclusive, non-transferable, non-sublicensable (except to Licensee's Users as set forth herein) limited right and license to access and/or use the Kaltura Hosted Services, and KalturaNetwork that are described in the applicable Order Form(s) in accordance with their respective specifications, solely (i) for the purpose of promoting and marketing Kaltura Hosted Services to Licensee's Users, (ii) for the purpose of sublicensing Kaltura Hosted Services to Licensee's Users; and (iii) For the purpose of accessing the KalturaNetwork. Licensee shall make no other access or use of the Kaltura Hosted Services and/or KalturaNetwork except as expressly granted hereunder, without the prior written consent of Kaltura. All rights not expressly granted herein with respect to the Kaltura Software, Kaltura Hosted Services, and the KalturaNetwork are reserved to Kaltura. Nothing contained herein shall limit Kaltura's right to license or otherwise distribute or make available Kaltura Hosted Services, or grant access to the KalturaNetwork, in whole or in part, to any third party. Licensee hereby grants Kaltura a worldwide, royalty-free, perpetual, transferable, non-exclusive license to: (i) deliver Publisher Content in accordance with the preferences you set using your Account; (ii) secure, encode, reproduce, host, cache, route, reformat, analyze and create algorithms and reports based on access to and use of Publisher Content; (iii) use, exhibit, broadcast, publish, publicly display, publicly perform, distribute, promote, copy, store, reproduce, of the Content on or through the Services; and (iv) utilize Content to test Kaltura's internal technologies and processes. Licensee agrees that both Licensee Content and User Content, including their metadata shall be indexed and become searchable and viewable via search engines and the Kaltura Directory. Upon configuration of the Hosted Service, Licensee may also grant Kaltura a license to include User Content and Metadata as well and Licensee Content and Metadata in the KalturaNetwork accordingly.

- b. **License to Kaltura Software.** Unless specified otherwise in a particular Order Form, the Kaltura Software shall be provided to Licensee as Free/Open Source Software, under the terms of the GNU Affero General Public License (GPL), as defined at <http://www.fsf.org/licenses/licenses/agpl-3.0.html>.

Licensee shall install, operate and use the Software, according to the terms of the GPL and any supplemental terms in the Order Form. Licensee shall not use the Software for purposes other than the purposes explicitly set forth in the particular Order Form.

- c. **Ownership.** The Parties expressly understand and agree that: (i) the Kaltura Hosted Services, the Kaltura Software(s), Kaltura's Confidential Information, and all Intellectual Property with respect to the foregoing, are and shall remain the sole and exclusive property of Kaltura; and the Licensee System, Licensee's Confidential Information, Licensee Content and all Intellectual Property with respect to the foregoing are and shall remain the sole and exclusive property of Licensee.

- d. **Protection of Rights.** Both Parties shall cooperate with each other in protecting their respective rights in the Kaltura Software(s), the Kaltura Hosted Services, the KalturaNetwork, Licensee System, and Licensee content, including their Intellectual Property and Confidential Information. Without limiting the foregoing, each Party agrees to notify the other Party promptly in the event that such Party becomes aware of any infringement of such rights. Each Party shall exclusively have the right, in its sole discretion, to prosecute lawsuits against any party for infringement of its rights and the other Party shall fully cooperate with it, at such Party (whose rights have been infringed upon) expense, in the prosecution of any such suit, demand or claim.

- e. **Publisher Content.** Kaltura does not endorse any Publisher Content or any opinion, recommendation, or advice expressed therein, and Kaltura expressly disclaims any and all liability in connection with Publisher Content. Licensee shall not permit copyright infringing activities and infringement of intellectual property rights on its website, as well as any illegal, inappropriate, or offending content. Licensee acknowledges and agree that Kaltura does not screen or review Publisher Content on the Hosted Services to determine whether it contains false or defamatory material, or material which is offensive, indecent, objectionable, or which contains errors or omissions. Under no circumstances will Kaltura be liable in any way for any of Publisher Content, including, but not limited to, for any defamation, falsehoods, errors or omissions in any such Publisher Content, or for any loss or damage of any kind incurred as a result of the use or publication of any such content posted, delivered, emailed or otherwise transmitted via the Hosted Services. Kaltura may remove any Publisher Content if notified that such content infringes on third parties intellectual property rights. Kaltura reserves the right to remove Publisher Content without prior notice.

5. FEES.

- a. **Fees and Payment Schedule.** Licensee shall pay Kaltura the fees set forth in the Order Form, in accordance with any additional payment terms set forth therein. Payment for all invoices is due upon receipt.

Any setup and professional fees shall be invoiced upon execution of the Order Form. Monthly Service fees shall commence on the calendar month during which system has commenced streaming or hosting videos. All such fees shall be pro-rated to the exact commencement date. All fees are exclusive of VAT and any other applicable sales tax.

- b. **Currency; Interest.** Licensee shall pay all fees and other amounts due pursuant to this Agreement and Applicable Order Forms solely and exclusively in US Dollars. Any late payment shall accrue interest at the monthly rate of two percent (2%).
- c. **Taxes.** All payments hereunder are exclusive of any and all applicable sales, use, excise, import, export, value-added and similar taxes and governmental charges.
- d. **Service Termination.** In the event of non-payment, or late payment, Kaltura reserves the right to terminate the service following written notice that has not been cured within 30 days. Kaltura shall not be liable for any damages created to Licensee in the event of such termination.

6. TRADEMARKS.

- a. **License of Marks.** During the term of this Agreement, each Party hereby grants to the other Party subject to the terms and conditions of this Agreement, a limited, royalty-free, non-exclusive, non-transferable, non sublicensable, worldwide right and license to use and display, solely to the extent necessary for the other Party to perform its obligations hereunder, such Party's trade names, trademarks, service marks and associated logos and other promotional materials. Each Party will attribute the Marks of the other Party used pursuant to this Section with a statement to the effect that such Marks are owned by the other Party. Without limiting the above, Licensee may brand the Hosted Services as agreed upon in the particular Order Form, provided, however, that at all times the labeling shall indicate that the Hosted Services and the Kaltura Software are developed and owned by Kaltura, and are "powered by Kaltura", and shall display the Kaltura logo. Each of the Kaltura Software widgets shall also include an invisible HTML tag, link and anchor text linking to a URL provided by Kaltura, which may be changed by Kaltura at any time.
- b. **Reservation of Rights in Marks.** Each Party will retain all right, title and interest in and to its Marks, and all goodwill associated with use of such Marks will inure solely to its benefit. All use of a Party's Marks by the other Party shall conform to good trademark usage practice or any reasonable trademark usage guidelines or instructions that such Party may provide the other Party from time to time.

7. REPRESENTATIONS AND WARRANTIES.

- a. **Mutual Representations and Warranties.** Each Party represents and warrants to the other Party for the duration of the term hereof that:
 - i. **Authority to Conduct Business.** It has all powers and authority necessary to own, operate and lease its assets and properties and to carry on its business as now being conducted.
 - ii. **Corporate Authority.** It has sufficient powers and authority to enter into this Agreement and

to perform its obligations hereunder and grant the rights granted to the other party hereunder.

- iii. **No Violation.** The execution and delivery of this Agreement and the performance and consummation of the transactions contemplated hereby will not violate or result in a breach by such party of its articles of incorporation or bylaws, any other agreement or understanding to which it is a party, or any lien, resolution, legal or administrative order or statutory provisions to which it is subject.

- b. **NO WARRANTY TO LICENSEE'S USERS, AND THIRD PARTIES.** NOTHING IN THIS AGREEMENT IS INTENDED TO CONSTITUTE OR CREATE ANY REPRESENTATION OR WARRANTY BY KALTURA TO LICENSEE'S USERS, OR ANY OTHER THIRD PARTY, DIRECTLY OR AS A THIRD PARTY BENEFICIARY, WITH RESPECT TO ANY OF THE KALTURA PRODUCT(S), HOSTED SERVICES, CONTENT, PROFESSIONAL SERVICES OR OTHERWISE.

- c. **Disclaimer of Warranties.** EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, KALTURA MAKES NO, AND HEREBY SPECIFICALLY DISCLAIMS ANY, REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE PERSONAL DATA, HOSTED SERVICES, THE KALTURA PRODUCTS, KALTURA NETWORK, CONTENT, AND OTHER SERVICES CONTEMPLATED BY THIS AGREEMENT OR OTHERWISE ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT, AND KALTURA SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, OR NONINFRINGEMENT, AND IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE.

8. LIMITATION OF LIABILITY.

- a. **NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY KIND OR NATURE, INCLUDING WITHOUT LIMITATION LOST REVENUES OR LOST PROFITS, WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT (INCLUDING, WITHOUT LIMITATION, THE BREACH OF THIS AGREEMENT OR ANY TERMINATION OF THIS AGREEMENT), TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), OR OTHERWISE, EVEN IF THE OTHER PARTY HAS BEEN WARNED IN ADVANCE OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE. IN NO EVENT SHALL EITHER PARTY'S MAXIMUM LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNTS ACTUALLY PAID BY LICENSEE TO KALTURA PURSUANT TO THIS AGREEMENT DURING THE TWELVE (12) MONTHS PRECEDING THE EVENT GIVING RISE TO SUCH LIABILITY.**
- b. **Notwithstanding section 8a above.** Licensee agrees to indemnify and hold Kaltura, its Owners/Operators, affiliates, and/or licensors, harmless to the fullest extent allowed by law regarding all matters related to Licensee

Content, and User Submitted Content, including but not limited to any claims regarding inaccurate, offensive, indecent, objectionable or infringing content.

9. **CONFIDENTIAL INFORMATION.**

- a. **Confidential Information.** Each Party acknowledges and agrees that, in the course of this Agreement and the Parties' relationship, it may be given access to or otherwise obtain information of the other Party ("Confidential Information"). Each Party hereby agrees to (i) use the Confidential Information of the disclosing Party solely for the purpose of performing its obligations under this Agreement; (ii) hold the other Party's Confidential Information in strict confidence, and; (iii) not disclose such Confidential Information, or any part thereof, to any third party, except those of its officers, employees or professional advisors with a strict "need to know" in order for the receiving Party to perform its obligations hereunder; provided that such officers, employees or professional advisors shall, prior to any disclosure, have agreed by signed writing or otherwise be bound to confidentiality obligations no less strict than those described herein.
- b. **Exclusions.** Confidential Information shall not include (i) any information already rightfully in the public domain at the time of its disclosure, or subsequently released into the public domain by the disclosing Party; (ii) any information already rightfully in the possession of the receiving Party at the time of its disclosure by the disclosing Party without an obligation to maintain its confidentiality of the; (iii) any information that is independently developed by the receiving Party without use of or reference to any Confidential Information of the disclosing Party, in either case such fact being proven through documentary evidence; (iv) information obtained by the receiving Party from a third party not in breach of any confidentiality obligations to the disclosing Party; or (v) information required to be disclosed by law, a court order or competent government authority, provided that in such case the receiving Party shall promptly inform the disclosing Party of such requirement of disclosure prior to the disclosure such that the disclosing Party has an opportunity to object to the production or disclosure through seeking a protective order.
- c. Each Party (as the receiving party) acknowledges that the disclosing Party considers its Confidential Information to contain trade secrets of the disclosing Party and that any unauthorized use or disclosure of such information would cause the disclosing Party irreparable harm for which its remedies at law would be inadequate. Accordingly, each Party (as receiving party) acknowledges and agrees that the disclosing Party will be entitled, in addition to any other remedies available to it at law or in equity, to seek the issuance of injunctive relief, without bond, enjoining any breach or threatened breach of the receiving Party's obligations hereunder with respect to the Confidential Information of the disclosing Party, in addition to such further injunctive relief as any court of competent jurisdiction may deem just and proper.

10. **TERM AND TERMINATION.**

- a. **Term of this Agreement.** This Agreement shall be effective as of the date first written above and shall remain in force for as long as there is an executed Order Form in effect, unless terminated as set forth herein ("Master Agreement Term"). Notwithstanding the

above it is acknowledged by the Parties that each Order Form may be in effect only for specific period of time ("Order Form Initial Term") as set out in each respective Order Form. Furthermore, it is acknowledged that the Parties may set out such period of time for which the Services under such Order Form may be extended ("Order Form Renewal Term") after the expiry of the Initial Term or Renewal Term, as the case may be.

- b. **Termination.** This Agreement and its applicable Order Forms may be terminated as follows:
- i. By either Party, upon thirty (30) days' prior written notice to the other Party (specifying in reasonable detail the nature of the material breach), if such other Party materially breaches this Agreement and fails to cure such breach within such thirty (30) day period.
- ii. By either Party immediately upon written notice to the other Party if: (i) a receiver is appointed for such other Party or its property, (ii) such other Party makes an assignment for the benefit of its creditors, (iii) any proceedings are commenced by, for, or against such other Party under any bankruptcy, insolvency or debtor's relief law for the purpose of seeking a reorganization of such other Party's debts, and such proceeding affects the quality of services such Party provides under this Agreement, or (iv) such other Party is liquidated or dissolved.
- c. **Effect of Termination.** Immediately upon any termination of this Agreement or its applicable Order Forms: (i) Licensee shall pay to Licensor any and all amounts then due and outstanding under this Agreement; (ii) all rights and licenses granted hereunder, and all obligations and covenants imposed hereunder, shall immediately cease, except as otherwise expressly provided herein; (iii) Licensee shall terminate any User Term of Use relating to the provision of the Hosted Services then in effect; and (iv) each Party shall: (a) stop using all Confidential Information, Marks and/or any other proprietary materials of the other Party then under its possession or control (including, without limitation, the Kaltura Software(s) and Licensee System, as applicable); (b) erase or destroy all such Confidential Information, Marks and/or any other proprietary materials residing in any computer memory or data storage apparatus; and (c) at the option of such other Party, either destroy or return to such other Party all such Confidential Information, Marks and/or any other proprietary materials in tangible form and all copies thereof. Any such destruction referenced in (b) or (c) above shall be certified in writing to the disclosing Party by an authorized officer of the receiving Party supervising such destruction.
- d. **Survival.** The following provisions shall survive any termination of this Agreement: Sections 5-11 and the Order Form.

11. **GENERAL TERMS.**

- a. **Marketing and Press Release.** Licensee agrees that Kaltura may list Licensee as a customer on the Kaltura website. The Parties shall issue a mutually agreed upon press release following the signing of this Agreement. No news releases or public announcements relating to this Agreement, its existence, its subject matter, or its

terms and conditions shall be made by either Party without the prior written consent of the other Party.

- b. **Relationship of the Parties.** Each Party to this Agreement shall be deemed to be an independent contractor of the other Party. Nothing contained herein or in any other writing shall imply any partnership, joint venture, agency or master/servant relationship between the Parties and neither Party shall have the power to obligate or bind the other in any manner whatsoever.
- c. **Force Majeure.** Except as otherwise expressly provided in this Agreement, neither Party shall be liable for any breach of this Agreement, other than any default in payment obligations, for any delay or failure of performance resulting from any cause beyond such Party's reasonable control.
- d. **Amendment.** No amendment or modification of any provision of this Agreement shall be effective unless in writing and signed by duly authorized signatories of Kaltura and Licensee.
- e. **Assignment.** Neither Party may assign, subcontract, delegate, or otherwise transfer this Agreement or any of its rights or obligations hereunder without the other Party's prior written approval, whether by contract, operation of law or otherwise. Any attempt to do so without such approval shall be void. Subject to the foregoing sentence, this Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors and assigns. Notwithstanding the foregoing, neither Party need obtain the consent of the other Party prior to assigning this Agreement (a) to an affiliate of the assigning Party, or (b) to any third party acquiring all or substantially all of the assets relating to this Agreement or a controlling interest in the voting stock or voting interest of the assigning Party or any controlling affiliate of the assigning Party.
- f. **Notice.** All notice required to be given under this Agreement must be given in writing and delivered either by hand, e-mail, certified mail (return receipt requested, postage pre-paid) or nationally recognized overnight delivery service (all delivery charges pre-paid) and addressed, if to Licensee, to the contact identified in the Order Form completed by Licensee and, if to Kaltura, to Kaltura Inc., 41 east 11 Street, New York, NY 10003, attn: General Counsel

- g. **Severability.** If the application of any provision or provisions of this Agreement to any particular facts or circumstances shall be held to be invalid or unenforceable by any court of competent jurisdiction, then (i) the validity and enforceability of such provision or provisions as applied to any other particular facts or circumstances and the validity of other provisions of this Agreement shall not in any way be affected or impaired thereby, and (ii) such provision or provisions shall be reformed without further action by the Parties hereto to and only to the extent necessary to make such provision or provisions valid and enforceable when applied to such particular facts and circumstances.

- h. **Governing Law.** The validity, interpretation, enforceability, and performance of this Agreement shall be exclusively governed by and construed in accordance with the laws of the State of New York. The parties hereby agree to submit to the exclusive jurisdiction of the courts of New York

- i. **Third Parties.** Except as specifically set forth or referred to herein, nothing herein expressed or implied is intended or shall be construed to confer upon or give to any individual or entity other than the Parties hereto and their successors and permitted assigns any rights or remedies under or by reason of this Agreement.

- j. **Titles and Headings.** The titles and headings of the Sections and other subdivisions of this Agreement are for convenience of reference only and shall not modify, define or limit any of the terms or provisions of this Agreement.

- k. **Entire Agreement; Amendments.** This Agreement (i) constitutes the binding agreement between the Parties, (ii) represents the entire agreement between the Parties and supersedes all prior agreements, conversations, negotiations, understandings, term sheets, letters of intent, and confidentiality agreements relating to the subject matter contained herein, and (iii) may not be modified or amended except in writing signed by the Parties.

- 12. This Agreement shall come into effect between the Parties only upon execution of an Order Form by both parties.



Kaltura Agreement/Order Form
Order ID

Please provide all company contact information, sign where indicated below and return this Order Form to your Kaltura sales professional.

ORDER INFORMATION

EFFECTIVE DATE	June 23, 2010
KALTURA REP	Frank Besteiro
CUSTOMER TYPE	New Customer
PURPOSE OF ORDER	New Service Order
INITIAL TERM	12 MONTHS
BILLING START DATE	EFFECTIVE DATE

CUSTOMER CONTACT INFORMATION

NAME	Media Addiction
ADDRESS	3052 E. Rock Wren Rd, Phoenix AZ 85048
PHONE	530-559-9766
CUSTOMER EMAIL ADDRESS	jschultheiss@mediaaddiction.com

CUSTOMER BILLING CONTACT INFORMATION

BILLING CONTACT (NAME)	Chris Chappell
ADDRESS	3052 E. Rock Wren Rd Phoenix AZ 85048
BILLING CONTACT EMAIL	cchappell@mediaaddiction.com
BILLING PHONE	602-538-7816

KALTURA PLATFORM AND SERVICES – MULTI-PUBLISHER EDITION

Kaltura Professional Edition	
1M – 5M monthly streams	\$3,750 per month
Streaming overage	\$10 per 1,000 streams
Total Monthly Cost	\$5,700 per month
Package Details	
Number of videos	Unlimited
Number of publisher accounts	10
Included Bandwidth (GB)	500 GB; Overage fees: \$1.00 per GB (Additional Bandwidth Packages available)

Included Features	Description	
Video Management & Playlists	Content management, tagging, rule-based and manual playlist creation, player and playlist publishing and more	<input checked="" type="checkbox"/>
Built-in Player Templates	Choose from a range of light-weight and stylish video player templates	<input checked="" type="checkbox"/>
Player Design & Configuration (App Studio)	Style your own video player with a custom design and feature configuration	<input checked="" type="checkbox"/>
Social Sharing Tools	Share content across social networks, blogs and other social media profiles	<input checked="" type="checkbox"/>
Delivery	HTTP and RTMP Delivery	<input checked="" type="checkbox"/>
Transcoding	Use Kaltura's transcoding engine to transcode your content into different flavors	<input checked="" type="checkbox"/>
Adaptive-Bitrate Streaming	Provide your audience with optimal playback in real-time by leveraging Kaltura's multiple transcoding flavors	<input checked="" type="checkbox"/>
Detailed Analytics	Detailed reports and stats	<input checked="" type="checkbox"/>
Media API	API access for media retrieval for galleries creation and SEO	<input checked="" type="checkbox"/>
Support	Kaltura Gold Support	<input checked="" type="checkbox"/>
Advertising Tremor	Player Plugin to tremor advertising	<input checked="" type="checkbox"/>
Access Control	Control who can see content, when and from where - geo-restrictions, domain restrictions, scheduling	<input checked="" type="checkbox"/>
Player White-Label License	White-label your video player (remove the Kaltura logo from the player)	<input checked="" type="checkbox"/>
UGC Uploading	Uploader widget and API access to Kaltura's sophisticated uploading tools	<input checked="" type="checkbox"/>



UGC Editing	Kaltura's Standard and Advanced Video Editor for media editing & remixing + API access	<input checked="" type="checkbox"/>
PPT Widget	Display fully synchronized PPT presentations and videos	<input checked="" type="checkbox"/>
Multi-publisher Admin Console	Manage multiple publishers under the same account, each with its own KMC account	<input checked="" type="checkbox"/>
Advertising – VAST	Player plugin to any VAST-supporting ad server and ad network	<input checked="" type="checkbox"/>
Optional Services (Please check)		
<input checked="" type="checkbox"/> White-label KMC & Communications	Brand the management console and outgoing emails from the system with your own brand for reselling purposes	\$1,000/mo
<input type="checkbox"/> Additional 10 Publisher Accounts	Beyond the initial 10 accounts included in the base multi-publisher package	\$1,000/mo
<input checked="" type="checkbox"/> Advertising AdapTV	Direct connection via the Kaltura Management Console to the AdapTV ad network	\$250/mo
<input type="checkbox"/> Live Streaming	Full live streaming support with interactive features and consistent with on-demand capabilities	\$500/mo
<input checked="" type="checkbox"/> Mobile Delivery	Keep your users engaged remotely by easily publishing media content on mobile devices	\$500/mo
<input checked="" type="checkbox"/> Custom Transcoding Flavors	Configure your own transcoding flavors to be included in your encoding profile and adaptive bitrate delivery	\$200/mo
<input type="checkbox"/> Kaltura Exchange Connectivity	Connect with apps from the Kaltura Exchange via the Kaltura Management Console	\$200/mo
<input type="checkbox"/> Moderation Panel	Review content before it is published to eliminate spam and abusive content	\$250/mo
<input type="checkbox"/> Subtitles Module*	Display subtitles via a subtitles file saved in SRT format	\$250/mo
<input type="checkbox"/> Mobile Upload*	Allow users to upload media (videos/audio/image) via email	\$250/mo
<input type="checkbox"/> Accessibility (508) Compliant Player*	Incorporate a video player that is compliant with Section 508 of the Federal Rehabilitation Act	\$100/mo
<input type="checkbox"/> Custom Metadata*	Add your own metadata fields to further tag and manage content	\$200/mo
<input type="checkbox"/> Support Upgrade – Platinum	See "Classes of Service" document for details	\$1,300/mo

Additional Bandwidth Packages (Please check)		
<input type="checkbox"/> Additional 500 GB per month	Includes hosting and streaming	\$250/mo
<input type="checkbox"/> Additional 1,000 GB per month	Includes hosting and streaming	\$400/mo
<input type="checkbox"/> Additional 5,000 GB per month	Includes hosting and streaming	\$1,750/mo
<input type="checkbox"/> Additional 10,000 GB per month	Includes hosting and streaming	\$3,000/mo
<input type="checkbox"/> Additional 20,000 GB per month	Includes hosting and streaming	\$5,000/mo

ACTIVATION FEES (PLEASE CHECK)

	Type	One-time Fee	Details
<input type="checkbox"/>	Standard Setup and Activation	\$1,000	Up to 8 hours of expert support for setup & activation
<input type="checkbox"/>	Comprehensive Setup Support	\$1,500	Up to 12 hours of expert support for setup, activation & integration
<input checked="" type="checkbox"/>	Comprehensive Setup Support (recommended for fast setup of multi-publisher support and API integration)	\$2,500	Up to 25 hours of expert support for setup, activation & integration

PROFESSIONAL SERVICES WORK ORDERED:

Kaltura provides a wide range of professional services including custom integration flows, custom development work, design and UI definition and more. The following hourly rates apply:

- Design: \$200 per hour
- Development: \$150 per hour

Item	Price
(LIST HERE IF IT IS INTEGRATION, DEVELOPMENT, PROJECT MANAGEMENT, OR GRAPHICAL WORK; AND GIVE A DESCRIPTION HERE FOR THE DEVELOPMENT TEAM)	NONE AT THIS TIME

TERMS & CONDITIONS



Licensee hereby orders from Kaltura the Services described in this order form ("Order Form"). This Order Form is issued under and incorporates the Terms & Conditions in effect between the parties. "Terms & Conditions" shall mean the Kaltura Master Services Agreement Version 10.09 located at http://corp.kaltura.com/Kaltura_MSA_V1009.pdf. Licensee also accepts the terms of the Credit Card Authorization Form, if Licensee selected the credit card payment option. The Order Form, together with the Kaltura Master Services Agreement, comprise the entire agreement by and between Kaltura and Licensee. The Initial Term shall automatically renew for subsequent twelve (12) month terms (each a "Renewal Term"), unless not less than thirty (30) days prior to the end of the Initial Term or any renewal term, one Party indicates in writing to the other Party of its intention not to renew this Order. Setup Fees shall be invoiced on the Effective Date. Monthly Service fees shall be invoiced at the end of each calendar month, following the Billing Start Date.

THIS ORDER FORM BECOMES EFFECTIVE WHEN SIGNED BY LICENSEE ("EFFECTIVE DATE").
BY SIGNING THIS ORDER FORM, COMPANY HEREBY ACCEPTS THE TERMS OF THIS ORDER FORM AND THE TERMS AND CONDITIONS INCORPORATED BY REFERENCE.

Kaltura, Inc.

Signature: _____

Name: _____

Title: _____

Date: _____

Licensee: Media Addiction Inc.

Signature: [Handwritten Signature]

Name: CHRIS CHAPPELL

Title: VP SALES & Mktg

Date: 6/22/10

Recurring Credit Card Charge Authorization Form

Customer Name: _____; Customer URL: _____

Frequency of billing: **Monthly**

(Name - PLEASE PRINT AS APPEARS ON CARD)

(Address - PLEASE PRINT)

(Phone Number - PLEASE PRINT)

(Email - PLEASE PRINT)

Please circle one: Visa / MasterCard / Amex

Card Number:

[illegible]

Expiration Date:

CSC Number (back of card):

Monthly Charge Amount for Package (\$)

(Signature)

(Effective Date)

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EXHIBIT D

■ media addiction

BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED

July 19, 2012

Mr. Brian Lisi
CEO, Qello, Inc.
40 W. 17th St.
New York, NY 10003


Re: Termination of Qello/Media Addiction Contract and Rescission of Software License

Dear Brian:

Qello, LLC has materially breached its Contract and License Agreement with Media Addiction, Inc. executed by you on June 25, 2010 (license effective June 10, 2009), for failure to pay license fees and make related payments, and for other reasons. Pursuant to Section 8 of that Agreement, Media Addiction hereby terminates that agreement and rescinds your license. All use of Media Addiction works, technology, etc... whether derivative or otherwise, must cease.

We also have additional issues with the conduct of business between our companies that we would like to address with you and would welcome the opportunity to resolve these matters short of litigation. Please contact me at your earliest convenience to open a dialogue between us and if necessary, our respective counsel.

Regards,



John Sullivan, Sr.
President & Chief Executive Officer
Media Addiction Inc.

21 The Glen - Locust Valley - New York - 11560

EXHIBIT E

■ media addiction

BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED

July 19, 2012

Dr. Michal Tsur
President, Kaltura, Inc.
200 Park Avenue South, Suite 1516
New York, NY 10003

Re: Termination of Kaltura/Media Addiction Master Services Agreement and Rescission
of Software License

Dear Dr. Tsur:

Kaltura, Inc. has materially breached its Master Services Agreement and License with Media Addiction, Inc., executed by you on June 23, 2010, for failure to honor its services obligations under the Agreement, and for other reasons. Pursuant to Section 10 of that Agreement, Media Addiction hereby terminates that agreement and rescinds your license. All use of Media Addiction works, technology, etc... whether derivative or otherwise, must cease.

We also have additional issues with the conduct of business between our companies that we would like to address with you and would welcome the opportunity to resolve these matters short of litigation. Please contact me at your earliest convenience to open a dialogue between us and if necessary, our respective counsel.

Regards,



John Sullivan, Sr.
President & Chief Executive Officer
Media Addiction Inc.

21 The Glen – Locust Valley – New York - 11560